

ARTICLE 37

MAINTENANCE OF BENEFITS CREATED BY 1982 CONTRACT EXTENSION AGREEMENT

Section 1. Maintenance of Benefits Created by 1982 Contract Extension Agreement.

It is recognized by the parties that certain duties, obligations, rights and benefits were agreed to and accepted by the parties in Sections c, d, e and f of Article 1 of the Contract Extension Agreement entered into by the parties on April 13, 1982; that by the very nature of such duties, obligations, rights and benefits, duties upon the part of the Employer could not be completely fulfilled, and benefits to the employees could not be completely received during the term of the Contract Extension Agreement (by way of example and not by way of limitation, compensatory time banks in lieu of holiday premium pay and overtime, annual leave payoff, "purchased plan B hours", et cetera). It is specifically agreed by the parties that the rights, benefits, duties and obligations created by Sections d and e of the Contract Extension Agreement (incorporated as Sections 2 and 3 below) which were not completely fulfilled or received by 11:59 p.m., September 30, 1982 may hereafter be enforced by an aggrieved party through the grievance procedure of this Agreement. The silence of any future contract with reference to the continuation of any right, duty or obligation created pursuant to Sections C, D and E of the contract extension agreement shall in no way impair the rights, duties, benefits and obligations created by the contract extension agreement, or the right of any affected party or employee to enforce said rights, duties, benefits, and obligations.

Section 2. Modifications of 1981-82 Agreement - Voluntary Pay or Work-Hour Reduction and Mandatory Work Reduction.

It is agreed by the parties that in addition to the cost savings to the Employer effectuated by the suspension of holiday premium pay and overtime, there shall be additional cost savings effected for the Employer from employees within the bargaining unit during this fiscal year totaling no more than \$620,000.00. In order to effectuate this objective, employees may, subject to the conditions hereafter set forth, voluntarily "enroll" in certain wage and/or work hour reduction plans described hereafter as 1982 Plans A, B or C. For the purpose of crediting, reductions against the \$620,000.00, the cost or savings value of any hour of either A, B or C Plan time for each employee enrolling in each plan, shall be calculated as follows:

The base hourly rate of the individual employee shall be multiplied time the constant factor of 1.32 (132 percent). It is agreed that this factor takes into account all savings to the Employer as a result of either reduction in pay or in hours, including pension contributions and any other fringe benefits which may be saved by the reduction in pay or in hours.

Wherever reference is hereafter made to Plans A, B or C, said plan shall be deemed to contain the following elements and administered in the following fashion:

Plan A. Reduction of Hours.

- (1) Employees under this option shall reduce the number of hours worked by eight (8) hours for a predesignated number of pay periods. However, no employee may choose less than a total of 24 hours nor more than a total of 88 hours. Hours shall be allocated in eight hour shifts. Scheduling of Plan A days shall be by mutual consent of the Employer and the employee, and if no agreement is reached, the Employer may schedule the hours pursuant to the provisions of Article 19. In the case of a scheduling conflict between employees, the Employer will resolve such conflict on the basis of seniority.
- (2) Any insurance program (including LTD) in which the employee is currently enrolled or which is provided by this Agreement, will be continued without change in coverage, benefits or premiums (except as provided in this Agreement with reference to dental coverage, benefits and premiums).
- (3) Annual leave and sick leave accruals will continue as if the employee had worked and received pay for 80 hours per pay period.
- (4) The employee will not incur a break in service by voluntarily participating under Plan A.
- (5) State service credit will remain at 80 hours per pay period for computing retirement service credit, longevity credit and compensation, base hourly compensation, seniority, step increases, employment preference and holiday pay.
- (6) Probationary employees, including recruits presently in training school, shall be included under Plan A, but recruits presently in training school shall not be required or permitted to take any reduction in hours during the period of active participation in recruit school.

Plan B. Reduction in Pay--Additional Time Off.

- (1) Employees will continue to work 80 hours per pay period but may elect to receive compensation for reduced number of hours established by the employee. Any employee exercising this option must choose no less than 24 hours of pay reduction during the balance of the fiscal year, and must allocate said hours in equal full hour components for a pre-designed number of pay periods.
- (2) The hours worked but not paid under this plan shall be accumulated, the employee shall be entitled to use said hours so accrued on or after October 1, 1982 in the same manner as annual leave credits. At the discretion of the Employer, Plan B time may be used by the employee prior to October 1,

1982. All annual leave credits acquired hereunder and not used prior to death, retirement or other termination of service of the employee shall be paid at the time of death, retirement or other termination of service of the employee in the same manner as all other annual leave credits. Annual leave credits accumulated hereunder shall not be subject to the maximum accrual provisions of Article 30, Part A, Section 2. Notwithstanding any other provision of this Agreement, retirement benefits will neither be increased nor diminished by voluntary participation in Plan B.

- (3) Any insurance program (including LTD) in which the employee is currently enrolled or which is provided by this Agreement, will be continued without change in coverage, benefits or premiums (except as provided in this Agreement with reference to dental coverage, benefits and premiums).
- (4) Annual leave and sick leave accruals will continue as if the employee had worked and received pay for 80 hours per pay period.
- (5) The employee will not incur a break in service by voluntarily participating under Plan B.
- (6) State service credit will remain at 80 hours per pay period for computing retirement service credit, longevity credit and compensation, base hourly compensation, seniority, step increases, and employment preference.
- (7) Shift premiums, hazard pay, limited assignment premium pay and all similar contractually-provided benefits will be paid when earned, not when the accumulated hours are liquidated.
- (8) Probationary employees and recruits in recruit school shall be eligible for Plan B.

Plan C. Leave of Absence

- (1) An employee may request a leave of absence without pay for a period of not less than one pay period nor more than nine pay periods. At posts or units the size of the Lansing Post or larger, the Department of State Police shall not be required to honor requests for Plan C leaves of absence for more than ten percent of the total bargaining unit personnel at said post or unit. In the event the requests at such posts are greater than ten percent of the personnel at said posts or units, the Department shall honor and allocate said requests on the basis of time in service seniority. In posts smaller than the Lansing Post, the Employer reserves the discretion as to whether to honor any requests for Plan C leave of absence; however, if the Department determines to honor Plan C requests at said post, the requests shall be honored based upon time in service seniority.

- (2) The State's share of any insurance premium (except LTD) for programs in which the employee is enrolled will be continued for the duration of the leave provided that the employee's share of the premium is pre-paid. LTD insurance will not be continued during the leave of absence, but will be reinstated immediately upon termination of the leave of absence.
- (3) Accumulated annual and sick leave balances will be frozen for the duration of the leave.
- (4) Employees on leave of absence will not incur a break in service.
- (5) If an employee elects to take leave of absence under this alternative during his or her final two years of State service, the Retirement system will include an equal prior period of work in calculating the employee's pension benefit. Thus, the benefit will be based on the final average compensation of the last two years of actual work.
- (6) It is recognized that employees may request Plan C leave for the purpose of supplemental employment. All requests for such supplemental employment shall be approved pursuant to the existing contract. (Article 25).
- (7) All leaves shall expire on or before September 30, 1982.
- (8) The employee will not incur a break in service by voluntary participation under Plan C. Time off under "Plan C" does not count as service credit for purposes of determining longevity, step increases, annual leave, seniority or retirement.
- (9) Probationary employees and recruits in recruit school shall not be eligible for Plan C.

Section 3. Administration of Pay or Work- Hour Reduction Savings.

In the implementation of this voluntary pay reduction and/or work reduction procedure, in order to achieve the \$620,000 in savings for the Employer, the program and procedure shall be administered and implemented in the following sequence:

- (1) 1981 Plan B Hours. In the event the Association prevails in an arbitration presently pending before Arbitrator Richard Mittenthal in the matter of MSPTA v Department of State Police, No. AG-15-81, prior to the expiration of the current fiscal year, any employee who is permitted by the terms of that arbitration award to "buy" 1981 Plan B hours, shall within seven calendar days of notice of such right, provide the Department with the amount of 1981 Plan B hours that the employee wishes to buy. Such amount of hours shall be binding and shall be evidenced by written payroll deduction authorization. The total number of hours and the value thereof shall be deducted from the \$620,000 of "savings" contemplated by this voluntary pay reduction and/or

work reduction program. In the event the arbitration award above referred to is not made or able to be implemented prior to the commencement of the implementation of the voluntary pay reduction and/or work reduction program, any dollar savings effectuated thereunder shall be later allocated on the basis of seniority to those employees who may have been "mandated: to take 24 hours of Plan A time, as set forth in Subsection 3 hereafter, to the full extent of such "1981 Plan B hours" purchased by the employees entitled thereto. It is the specific intent of this provision to reduce the numbers of Plan A hours required to be taken by the employees who may have been mandated to take Plan A hours to the full extent of any credit of "purchased" Plan B hours by other employees within the unit. To the extent that any affected employee has taken a mandatory Plan A day, the 1981 Plan time purchased shall be allocated in inverse seniority toward any unused Plan A hours.

- (2) Each employee shall be offered the opportunity to voluntarily enter into either Plan A, B, or C pursuant to the conditions heretofore set forth. Each employee within the bargaining unit shall be provided notice of his options upon forms mutually agreed to by the Employer and the Association and given ten days to determine which voluntary option the employee, if any, shall select. After the selection of the voluntary options by the employees, the Employer shall determine the total of A, B, and C hours, and the "savings value" thereof after the application of the factor of 1.32 to the base salary of the various employees under the various plans, and deduct that sum from the intended total savings of \$620,000 (less savings from the purchased 1981 Plan B hours determinable at that time).
- (3a) It is the specific intent of the parties hereto to adopt and effectuate a program which permits all employees within the unit to have the option of first volunteering to share equally in either pay reduction or work hour reduction (at least 24 hours per employee); and to the extent that sufficient savings are not effectuated by volunteered pay reduction or work hour reduction, to only then mandate reductions by inverse time in service seniority and only to the extent necessary to effectuate the total savings of \$620,000.00.
- (3b) If the total savings under voluntary Plans A, B and C, after the application of the 1.32 factor to the base salary of the employees selecting any of the voluntary plans, is greater than \$620,000.00, no further action shall be taken, and the Employer shall have the benefit of the additional voluntary hours. However, if additional savings are necessary, the Employer shall on the basis of inverse time in service seniority, mandate 24 hours of Plan A work reduction hours to a sufficient number of employees within the unit to make up the required difference, again applying the factor of 1.32 toward the base hourly salary of the affected employees to determine the dollar amount of savings per employee. No employee who has volunteered for a minimum

of 24 hours of Plan A, B or C shall be mandated to reduce his hours of work under this section.

- (4) The parties agree to meet in order to discuss any questions or problems of implementation of this program upon the request of either party. The Employer agrees to provide to the Association records and calculations with reference to the total volunteer Plan A, B, and C hours savings and total purchased "old Plan B" hours, as well as the calculations with reference to any mandatory A hours which may be needed under this program and procedure.